

Congressional and executive oversight of the federal budget is in turmoil. The political aversion to tackling federal overspending is enhanced and enabled by the inadequate processes that govern the budget.

Two things are needed to prevent a European-style fiscal and debt crisis: (1) process changes that require - some would say force - solutions and ensure that fiscal results are achieved, and (2) the robust policy solutions themselves.

Consider the **Spending Control Act**, sponsored by **Rep. John Campbell**, California Republican, and the Balancing Our Obligations for the Long Term (Bolt) Act, sponsored by Rep. Mick Mulvaney, South Carolina Republican. They provide more transparency, impose strong spending controls across the entire federal budget over both the short and long term, and require steps for reining in spending to meet spending limits.

The sad fact is that U.S. federal debt soon will reach economically damaging levels, and spending will be the driver of that explosion. The three major entitlements - Social Security, Medicare and Medicaid - will accelerate spending growth in the future because of demographic changes and rising health care costs.

Today, they make up approximately 45 percent of total federal spending, or 10.4 percent of gross domestic product. As Tuesday's Congressional Budget Office (CBO) report indicates, by 2037, they will reach approximately 16.6 percent of GDP. Left alone, they will devour all tax revenues by 2048, assuming the historical level of taxation.

A variety of projections show it is highly possible - even likely - that the U.S. could experience a European-style spending and debt crisis in the near future. U.S. publicly held debt will skyrocket to twice the size of the economy by 2037.

But a change in course seems elusive. The process that governs the budget has significant weaknesses, and reforms to it could be both an impetus and a tool to drive the necessary budget changes.

One major problem in the budget process is that mandatory spending is not budgeted. Thus, the big three entitlement programs, which enjoy essentially open-ended appropriations, are allowed to grow on autopilot. Put another way, the biggest drivers of the federal budget are able to enjoy an automatic “first call” on tax revenues, squeezing out other spending priorities, such as a strong defense.

Another major problem is the seemingly arbitrary timeline of the budget window. One-year estimates are necessary, of course, but from a budget perspective, there is nothing especially significant about five- or 10-year projections. Neither adequately measures whether policies are affordable or sustainable over a longer-time horizon.

Bringing entitlements on budget is an important change in both the Spending Control Act and the Bolt Act. Aligning the spending caps with the House-passed budget resolution is also vital because the policies necessary to achieve the caps are spelled out in the resolution. Reviewing the budget over the longer term, as in the Bolt Act, is equally significant.

To be sure, making long-term budget projections involves tremendous challenges. They require a variety of assumptions that, together or alone, likely will prove wrong. But it is vital to know whether, based on today’s knowledge, policies are both sustainable and affordable in the long term. Projections of this nature have been made regularly over the years by a number of agencies, including the CBO.

The transparency sections of the Bolt Act, which feature reports and regular review of long-term spending, are particularly important, as is the long-term reconciliation. And to ensure results, there is a built-in trigger to rein in spending on these programs, should Congress fail to act.

As for the trigger itself, there are understandable reasons for excluding Social Security from spending caps, but the program is already running permanent deficits. The only way for Congress to set true national priorities is to put all federal programs on budget, even those most sacrosanct.

The nature of the political process today has tremendous incentives to ignore the nation’s

severe spending and debt problems until forced to by outside events. But this approach to governing is the worst way to set policy, as crisis-driven decisions are often desperate choices that inevitably fail. The failure of the supercommittee and the equally flawed Budget Control Act sequestration are good examples.

Moreover, crisis-driven decisions rarely allow for public discourse to weigh the pros and cons of such changes. Following Greece's example is indeed a recipe for disaster.

In the end, Congress itself will decide whether it will act. It would be better if it does so in an intentional, prudent way, as these bills would provide, rather than in a crisis